

PPB 71-1052

28 June 1971

MEMORANDUM FOR: D/PPB
DD/PPB

1. The attached paper has been prepared to highlight probable trends in CIA's manpower situation, to emphasize the need for greater attention to manpower planning and to suggest an approach to such planning.

2. While not apologizing for it, this paper represents only a first coarse attempt to analyze the problems CIA may face in the future. Experience, for example, may contradict our assumption that further ceiling cuts will be made. Perhaps no cuts will be made, but it would be unrealistic to anticipate that significant increases will be allowed. It could be argued that reorganization of the Community could drastically change the terms of reference and make this paper inapplicable. On the other hand, I argue that we should plan for what now seems to be the most likely development. That is, that CIA will be faced with difficult personnel ceiling problems in the foreseeable future -- whether as a result of further cuts, or from the addition of new responsibilities, requirements, programs and systems within a constant ceiling. In fact, we are already seeing high-priority programs facing problems because manpower allocations remain firmly entrenched within organizations, frequently in support of outdated, inappropriate, or lesser priority programs.

3. This paper is restricted to the probable effect on CIA of a reduced or static personnel ceiling through 1980. However, problems of personnel administration will probably also continue to concern management during this period. Further reductions in ceiling would undoubtedly reduce headroom and restrict opportunities of personnel. The younger professionals, who have already exhibited restlessness, can expect to see their frustrations increase. Any planning that is done to cope with the first problem should include careful consideration of its implications in this second problem area.

4. The review of unencumbered contract and OPRED ceiling which O/PPB is to undertake at the ExDir's direction is only one piece of the larger problem presented in this paper.

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Attachment to
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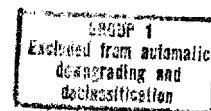
FACTORS INFLUENCING PERSONNEL REQUIREMENTS
IN THE NEXT FIVE YEARS



O/PPB
June 1971

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FACTORS INFLUENCING PERSONNEL REQUIREMENTS
IN THE NEXT FIVE YEARS

The purpose of this paper is to forecast CIA's personnel requirements for the FY-74 to FY-80 period, in terms of: numbers required to accomplish missions, the changes in present allocations which may be necessary and the mix of personnel skills required.

For planning purposes, projections of personnel requirements can be based on: 1) assumptions about key policy decisions, 2) such economic factors as the substitution of equipment for labor, and 3) the changing skill mix.

Program decisions now being considered would have significant impact on future personnel requirements. Pending the decisions, reasonable expectations can be assumed, and should the decisions go otherwise, the projection can be adjusted. The impact of the assumptions will be specified in three magnitudes, plus (increase in personnel) or minus (decrease). Magnitude I is 100 or more, Magnitude II is 50-99, and Magnitude III is less than 50.

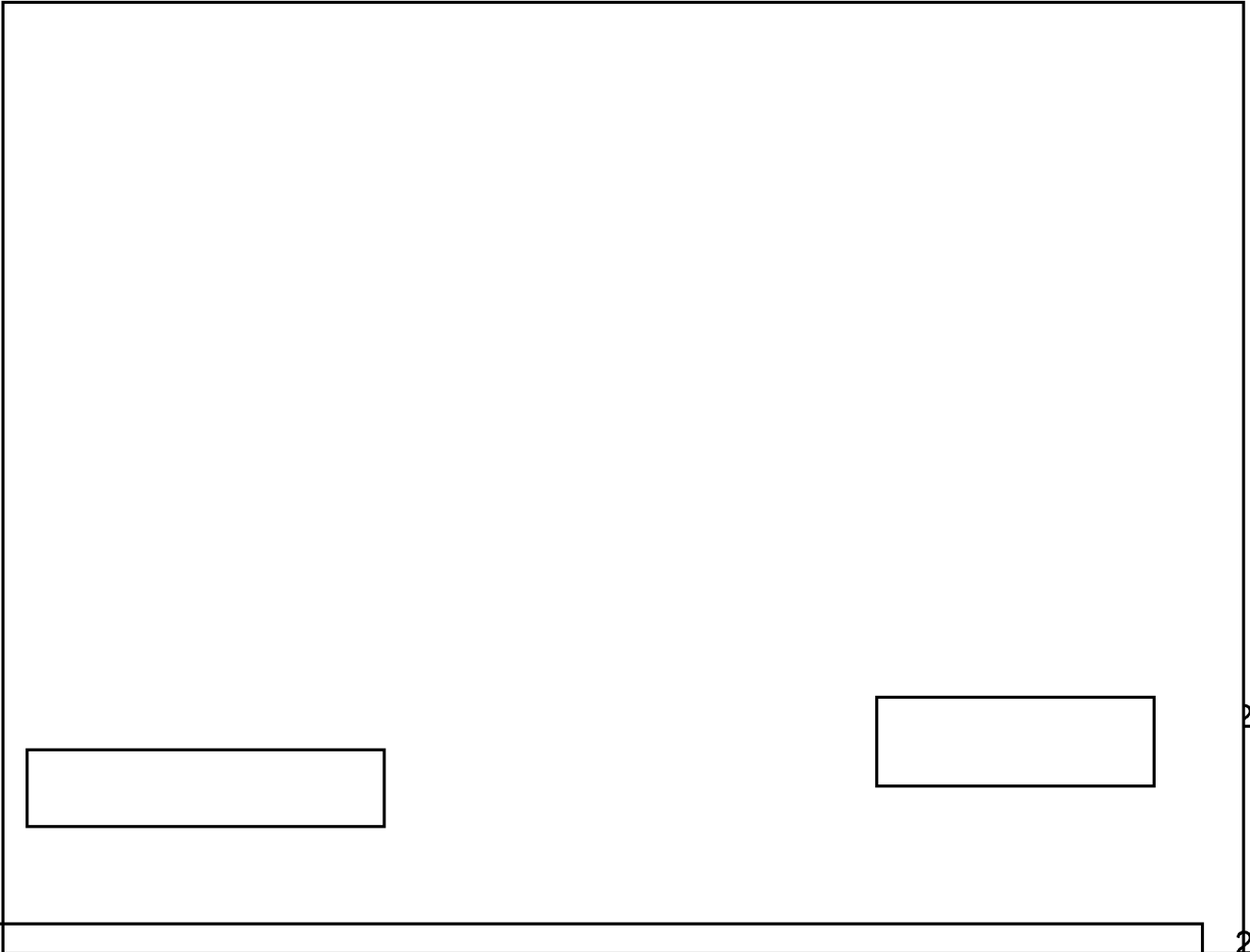
Assumption I. The Agency retains its basic mission and organization, but an effort is made by OMB to reduce gradually the position ceiling. OMB may consider a reduction of one or

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two percent a year as salutary and not disruptive but not exceed a
total of 8-10%. Prime candidates for reduction would be programs

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Assumption IV. The Agency will need new facilities. This will increase the requirements for housekeeping personnel, utilities specialists, guards, and motor pool. The NPIC building would be a major undertaking; with careful planning, the personnel ceiling presently supporting the housekeeping [] can provide most of the services for the new building. (Mag. II, plus).

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Assumption V. The Agency will play a more active role in Community management. This would require some enlargement of management staffs, either at the level of NIPE/NIRB or at the level of the Deputies' staffs. The need would be great for personnel capable of program evaluation. If the new jobs are filled from within, replacement personnel would be needed to replenish the inventory of personnel of management caliber. (Mag II or III, plus).

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In addition to the trends dependent on the preceding assumptions, the personnel outlook is affected by general occupational trends in the Federal government that in large part relate to the nature of investment

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in data-processing equipment, materials-handling equipment, and improved data transmission and communications systems. The Agency has made many such investments, and some labor-saving is likely to result. According to the Occupational Outlook Handbook, 1970-71, of the Department of Labor, the employment outlook is not bullish for clerical, blue-collar employees, and communicators, while there is a rising requirement for professional, administrative, and technical workers.

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These trends cannot be projected automatically into the future, however. For example, it is possible that the reduction in communicators was overdone--an aberration of OPRED and BALPA. Though there have already been sizeable cuts in clerical personnel, improved technology for the dissemination of information, consolidation of some small branches and reduction of the ratio of clericals to professionals, and further reduction of professional staff at headquarters could stimulate further reductions in clerical personnel. It is probable, given the fact that the easier cuts have already been taken, that future personnel reductions would probably impact more heavily upon the professional staff than past reductions have done.

Some trends may be anticipated that will impact on training requirements and on skills needed. These trends include a growing need for:

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reexamination of Agency programs in an effort to eliminate all programs but the most essential. Support-type programs and services would obviously receive very close and critical scrutiny as would operating programs which do not relate clearly and directly to the Agency's primary missions.

Management Implications

1. If it is anticipated that the Agency will be required to reduce as much as 10 percent by 1980, the appropriate manpower planning must be initiated now, in the context of a reexamination of Agency missions and priorities as mentioned above.

2. There are pockets of underemployed personnel throughout the Agency. There are instances where new procedures and new equipment will make some personnel superfluous. Our present management techniques do not force rigorous identification of surplus personnel nor of the personnel implications of new investment and new procedures. It would probably be useful to request each Directorate to initiate a manpower reduction plan, not based on attrition, but based on evaluation of its manpower strength. The plans should be forwarded to the Executive Director annually

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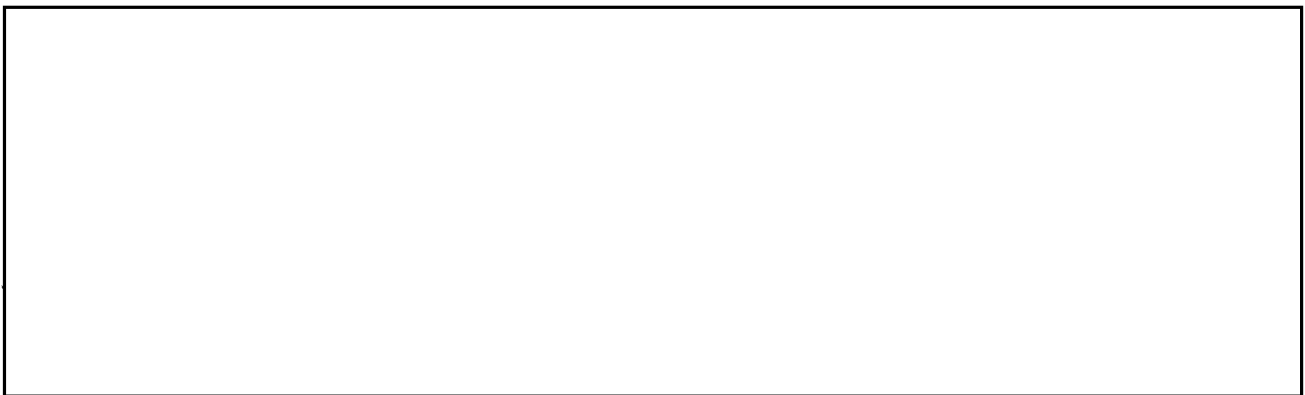
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and a report provided at the end of the year on their execution. The plans should specifically project the impact of new equipment on personnel requirements, and incentive should be provided the Directorates for seeking personnel economies as well as improved performance. Where additional manpower is needed and can be justified, on the basis of new customer requirements or programmatic decisions previously undertaken, such requests should be considered through the normal programming-budgeting procedures. The personnel reduction plans should be separate.

3. It may be necessary to have task forces conduct rigorous reviews of personnel utilization by Agency components to identify areas where personnel savings are possible.

4. Realignment of the Agency's functional and organizational structure may (should) result in manpower savings, if duplication and redundancy is removed and more efficient systems are developed.

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